



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

DONALD L. WOLFE, Director

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June 13, 2007

IN REPLY PLEASE
REFER TO FILE: PD-1

TO: Each Supervisor

FROM: Donald L. Wolfe
Director of Public Works

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY REGULAR BOARD MEETING-MAY 21, 2007

On May 21, 2007, my staff attended the regular Board meeting of the Alameda Corridor-East (ACE) Construction Authority. A copy of the agenda and adopted minutes of the April 23, 2007, regular Board meeting are attached. The following items were discussed at the meeting, which are of interest to the County.

Agenda Item VII—The Board approved staff's recommendation to authorize the Chief Executive Officer to amend the contract with DMJM+Harris to add \$81,000 for design services during construction of the Ramona Boulevard Grade Separation project, for a new contract value of \$3,211,543, and to extend the completion date of the contract through February 2008.

Agenda Item VIII—The Board approved staff's recommendation to authorize the Chief Executive Officer to amend the contract with PB Americas, Inc., to add an amount not to exceed \$1,267,170 to Task Order No. 1 of the contract for construction management services associated with the East End Avenue and Reservoir Street Grade Separations project.

Agenda Item IX—The Board approved staff's recommendation to increase the Chief Executive Officer's change order authorization to 12.4 percent of the original contract value on the East End Avenue and Reservoir Street Grade Separations project. This action will help close out the project without requiring Board approval for change orders that are less than 12.4 percent, instead of the previously approved 10 percent threshold.

Agenda Item XI—The Board approved the ACE Budget for Fiscal Year (FY) 2007-08 in the amount of \$103.86 million, a 27 percent increase from the approved FY 2006-07 Budget.

Each Supervisor
June 13, 2007
Page 2

The FY 2007-08 Budget provides only for activities for which the Authority has committed funding sources and will be amended if additional funding becomes available.

The next Board meeting will be held on June 25, 2007, at 2 p.m., at the Irwindale City Hall Council Chambers.

VA:yr

C071105

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Attach.

cc: Chief Administrative Office
Executive Office



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

SPECIAL MEETING AGENDA

Monday, May 21, 2007 – 2:00 P.M.

Temple Avenue Train Diversion Project Trailer
Spadra Farm
Pomona, CA

**SEE REVERSE FOR
MAP**

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

- | | | |
|-------|---|-------------|
| I. | Roll Call and Introductions | |
| II. | Pledge of Allegiance | |
| III. | Approval of Minutes of Meeting of April 23, 2007 (Pages 1-5) | Action |
| IV. | Public Comment | |
| V. | Chairman's Remarks | Information |
| VI. | Chief Executive Officer's Report (Pages 6-20) | Information |
| VII. | Approval of Contract Amendment for Design Services During Construction for the Ramona Blvd. Grade Separation with DMJM+Harris (Pages 21-22) | Action |
| VIII. | Approval of Contract Amendment for Construction Management Services for the East End Avenue Grade Separation with PB Americas (Pages 23-24) | Action |
| IX. | Approval of an Increased Authorization for Construction Contract Change Orders for the East End Avenue and Reservoir Street Grade Separations (Pages 25-26) | Action |
| X. | Approval of Employee High Deductible Health Savings Plan Option (Page 27) | Action |
| XI. | Approval of Fiscal Year '08 Budget (Pages 28-52) | Action |
| XII. | Approval of Positions on State Legislation (Pages 53-61) | Action |
| XIII. | The Board will adjourn for a tour of the Temple Avenue Train Diversion Project | |
| XIV. | Adjournment | |

The ACE Construction Authority is currently constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member.

Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes.



The Spadra Farm/ACE trailer is located between Grand and Temple off Pomona Blvd. (Valley headed east forks right to become Pomona Blvd.) The fenced entrance has a **Yeager Skanska** sign and is on the south side of the street. Once inside the fenced area, follow the signs to the trailer.

Lost? Call Deanna (626) 644-5515



**ACE Construction Authority
Regular Board Meeting
April 23, 2007
Minutes**

The Chair welcomed the Board to the City of El Monte and called the meeting to order at the El Monte City Hall at 2:03 PM.

1. In attendance were:

Ernest Gutierrez, Chairman
Carol Herrera, Diamond Bar, SGVCOG
Phil Marcellin, Industry
Bob Bagwell, Montebello
Harry Baldwin, San Gabriel
Paul Eaton, SANBAG

Staff

Rick Richmond, Chief Executive Officer
Joe Silvey, Legal Counsel
Sharon Neely, staff
Lou Cluster, staff
Girish Roy, staff
Bruce Armistead, staff
Cynthia Ambrose, staff
Deanna Stanley, staff
Chip Conway, staff

Guests

Jack Yoshino, City of Walnut
David Varnam, Congressman Gary Miller
Laura Cornejo, City of Montebello
Donna Lee, Southern California Edison
Shafi Sharifan, IDC

2. Pledge of Allegiance

Member Bagwell led the pledge of allegiance.

3. Approval of Minutes of March 26, 2007

A motion was made to approve the meeting minutes of March 26, 2007.
M/S/C: Baldwin/Herrera/Unanimous

4. Public Comment

There were no public comments.

5. Chairman's Report

Chairman Gutierrez reminded the Board of the May 16 legislative meeting in

Sacramento. Chairman Gutierrez referenced a copy of a letter in support of SB 974 sent to Senator Alan Lowenthal, Chairman of the Transportation Committee. He also indicated the importance of the COG's continued recognition of the magnitude of the ACE Project in San Gabriel Valley and suggested staff put together a CD of construction photos to be available to the COG Board.

6. Chief Executive Officer's Report

Mr. Richmond reminded the Board that the quarterly construction environmental mitigation reports were included in the agenda, which now included the Sunset Avenue project. Mr. Richmond also reported that project site construction tours have been extended to new members of the legislature. A tour was provided to Assemblyman Dr. Ed Hernandez and an upcoming is scheduled for Assemblyman Portantino. Lastly, Mr. Richmond invited the Board to tour the Temple Avenue train diversion project that could follow a meeting held at the construction trailer.

Bruce Armistead, Senior Project Manager reviewed progress photos for the Temple Avenue train diversion, and East End Avenue projects. Girish Roy reviewed the progress photos of the Brea Canyon Road grade separation project. Lou Cluster reviewed the progress photos of the Sunset Avenue grade separation project.

7. Approval of Revised Staffing Plan

Mr. Richmond advised the Board that based upon the approved project work level and upcoming construction moving forward the Senior Project Managers' schedules were being challenged. He indicated with the impending San Gabriel Trench along with other potential projects there was a need for an additional Senior Project to oversee management of ACE Projects. He reviewed the importance of oversight of the projects and indicated a division of two projects per Senior Project Manager was more manageable. He requested the Board approve an additional position to be funded with direct charges to the project. A motion was made to approve a revised staffing plan to add one Senior Project Manager staff position to manage the design and construction workload.
M/S/C: Baldwin/Marcellin/Unanimous

8. Approval of Contract with SV-CON, LLC for Special Consulting Services on the San Gabriel Trench Project

Mr. Richmond reviewed the elements of the San Gabriel Trench project. He reviewed its uniqueness offering challenges not yet experienced on the current construction projects. He indicated staff, in preparing for the upcoming Trench project, has researched similar projects and found that the City of Reno's Retrac Project was most similar to the trench. Staff has visited the Retrac project and discussed at length design, UP negotiations, planning and construction issues

with Steve Varela, the City's former Director of Public Works and Engineer who has been credited for the success of the project. Mr. Varela managed the lowering of 2.25 miles of the Union Pacific's mainline track trough in downtown Reno. Mr. Richmond indicated that Mr. Varela has retired from the City and has formed SV-CON, LLC specializing in project support which staff feels would benefit ACE in the preliminary engineering phase of the San Gabriel Trench project. Member Baldwin indicated the City of San Gabriel was provided a tour by Mr. Varela and he was very impressed with Mr. Varela's expertise and the Project. Mr. Richmond reviewed the scope of work through the initiation of preliminary engineering and an estimated cost for this phase of \$50,000. Mr. Richmond stated an overall contract value would be limited to the amount delegated by the Administrative Code of \$250,000 but if any additional authorizations were necessary it would require Board approval. Mr. Richmond indicated that the required Statement of Determinations and Findings for the non-competitive procurement was provided in the agenda.

A motion was made to approve a Statement of Determination and Findings for non-competitive procurement of special consulting assistance on the San Gabriel Trench project and authorized the Chief Executive Officer to execute a contract with SV-CON LLC for the purposes and amount as described in the agenda.
M/S/C: Herrera/Bagwell/Unanimous

9. Approval of Amendment for Design Services During Construction for the Sunset Avenue Grade Separation Project

Mr. Richmond reviewed the previous board authorizations for the Sunset Avenue grade separation. He explained that the unanticipated extensive third party design changes required depleted current authorization. In addition, design support during construction was needed for attending field meetings, reviewing shop drawings, and reviewing submittals for conformance to design specifications in the field.

A motion was made to authorize the Chief Executive Office to amend the Sunset Avenue grade separation design contract with HNTB Corporation to increase the contract amount by \$439,272 to a new contract value of \$5,003,787 to add additional funding for engineering services during construction.
M/S/C: Herrera/Baldwin/Unanimous

10. Approval of Task Order for Construction Management services for the 4th Track for the Temple Avenue Train Diversion Project with PB Americas, Inc.

Mr. Richmond reviewed the background of the Temple Avenue 4th track project. He reminded the Board that PB Americas is the construction manager for the Temple Avenue train diversion project and the task order for the 4th track at

Temple Avenue was incorporated into their current scope. He reviewed the details of the scope required by the addition of the 4th track component. The task is anticipated to run through November 2008 and PB would provide a 21% DBE participation goal.

A motion was made to authorize the Chief Executive Officer to execute Task Order No. 4--Construction Management services for the Temple Avenue Fourth Track Infrastructure Project with PB Americas, Inc (PB) for the not-to-exceed amount of \$1,383,524, bringing the total contract value to \$8,745,396.
M/S/C: Marcellin/Gutierrez/Unanimous

11. State Legislation Update

Sharon Neely distributed a legislative matrix summarizing the status of state bills which are of interest to the Authority. She indicated that SB 9, SB 19, SB 974 and AB 660 are of particular interest to the Authority.

12. Quarterly Project Progress Report

Mr. Richmond indicated there was an increase of \$300,000 in the cost of the project since last quarter. The increase was due to Union Pacific Railroad utility relocations for the Temple Avenue train diversion project of \$200,000 and right of way costs for the Sunset Avenue grade separation project of \$100,000. He reviewed the accomplishments for the past quarter. An April 2 dedication was held for the Reservoir Street grade separation. The shoofly cutover was completed and construction began of the UPRR bridge for the East End Ave. grade separation. Bridge piles were completed and center bridge piles formed for the Ramona Blvd. grade separation. A majority of track embankment was completed and grading was done at the Temple Avenue train diversion project. Relocation of MWD lines, pile driving on west side completed, continued relocation of SCE lines and installation of storm and sewer lines and began construction of the temporary Metrolink platform station for the Brea Canyon Road project. California Ave was closed to begin excavation for storm drain relocations for the Sunset Avenue grade separation.

Lastly, Mr. Richmond reviewed anticipated contractor claim estimates due to various schedule delays. He indicated contractor delay claims were forthcoming and summarized the causes for each. He reported that on the Ramona Blvd. grade separation delays in SBC/ATT utility relocations, UPRR and Metrolink shoofly construction the project has experienced a 200-day delay at an estimated contractor cost of \$1M. In addition, at the East End/Reservoir project, delays in UPRR signal installation and Verizon line relocation resulted in an estimated 270-day project delay at an estimated contractor cost of \$1.25M. Mr. Richmond advised the Board that these items would be reviewed for consideration of approval soon.

13. Quarterly Financial Progress Report

Chip Conway, Finance Manager, reviewed the quarterly budget versus accrued actuals, cash expenditures by project, expenditures versus receipts by project and investment information for the quarter. There were no questions.

13. Closed Session

Mr. Silvey announced that the Board would adjourn to closed session pursuant to Government Code 54956.8 for conference with real property negotiators. The Board returned from closed session and Mr. Silvey announced there were no actions taken to be reported.

- 14. Adjournment.** A motion was made to adjourn the meeting at 3:14 PM in memory of Bruce Armistead's father, George C. Armistead.



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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: May 21, 2007

SUBJECT: CEO Report

The following are items of note since the last meeting:

Construction Tours - Staff is conducting construction tours and ACE Project updates for new State Assembly/Senate members and their staff. To date, tours have been provided to Assemblymember Hernandez, Assemblymember Portantino, staff from Senator Lowenthal's office, and staff from Senator Romero's office. Additional tours are planned as members schedules allow.

Proposition 1B Guidelines - On May 18th, staff attended the third working group meeting for development of the goods movement guidelines. Working group meetings are planned every month for the foreseeable future. The CTC indicated at the last meeting that they do not expect to allocate funds from the new program for the next fiscal year. At the same time, there is discussion within the legislature that the Transportation Budget Subcommittee(s) in the Assembly and Senate could possibly earmark Prop 1B goods movement funding as part of the May revise budget deliberations and add those allocations to the budget trailer bill.

FHWA Call for '07 TSCP Grant Applications - ACE was included in the list of TSCP grant applications which Caltrans submitted to FHWA on April 30th in response to a nationwide submittal. There is \$52 m available nationally. ACE submitted a request for \$2.2 million for right-of-way funds for the Baldwin Ave. grade separation project.

Community Outreach Update - Staff has conducted the following project outreach activities:

1. Distributed construction alert notices regarding work on south side of Valley Boulevard for Sunset Avenue Grade Separation project;
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2. Distributed construction alert notice regarding summer work on school campus for East End Avenue Grade Separation project;
3. Distributed construction alert notices directing Metrolink passengers to use temporary waiting platform along shoofly at Brea Canyon Road Grade Separation project;

4. Distributed construction alert notices regarding curb, gutter, sidewalk and street repaving for Brea Canyon Road Grade Separation project;
5. Conducted ongoing business support program and community outreach activities for the Brea Canyon Road, East End Avenue, Ramona Boulevard, Sunset Avenue and Temple Avenue projects.

Contracting – Our Administrative Code delegates to the CEO the authority to approve new contracts or change orders for Board-approved contracts within certain limits, with a requirement that I report to the Board any such contract action. There were no contract actions that affect contract value since last month's report.

Construction Progress Reports – Attached are construction progress reports on the Brea Canyon Road, East End Ave., Reservoir St., Ramona Ave., Sunset Ave. and Temple Ave. projects.

Program Management Monthly Report - The Bechtel/Korve program management support activities for the last month is attached.

**MONTHLY PROGRESS REPORT
ALAMEDA CORRIDOR-EAST PROGRAM MANAGEMENT SERVICES
PERIOD ENDING 4/30/07**

This report summarizes activities undertaken between April 1 and April 30, 2007.

OVERVIEW:

Work is proceeding on project implementation on several fronts, with an emphasis on:

- The Board authorized a contract for train detection technology evaluation and testing on the IRRIS project. There have been discussions between ACE and the surety company for EVA regarding the default and remedy of the deficiencies on the currently installed train detection system.
- Sunset Avenue Grade Separation Project – The full closure of California Ave at the railroad and closure of some Valley Boulevard lanes continues, with excavation north and south of the railroad for installation of storm drain pipe. April saw two shifts of Valley Blvd. traffic as reprofiling of the street moved to the south side of Valley. This last phase of Valley Blvd. work at California has multiple public and business access impacts. ACE Outreach staff, ACE's CM and the contractor have been working closely with business owners and other stakeholders to plan ahead and minimize problems. Review of design revisions with LACDPW staff continues, as does drainage redesign due to found-in-field conditions, including EPA water-remediation wells and piping in California Avenue. Coordination with LACDPW and the City of Industry continues on a new traffic signal project within the Sunset project area.
- Brea Canyon Road Grade Separation Project – The contractor completed relocation of 36-inch MWD water line; completed concrete pour of foundation for the retaining walls along west side of Brea Canyon Road and continued placement of rebars for the stem walls; completed Junction Structure #2 for sewer line relocation; continued relocations of SCE distribution line on Brea Canyon road; completed construction of storm drain line on Windwood and completed portion of Metrolink temporary platform. UPRR completed construction of shoofly tracks. The contractor completed concrete pour of pump house foundation and continued placing rebars to pour concrete for pump house walls.
- Ramona Boulevard Grade Separation Project: With the earlier completion of bridge abutment and center bent column caps, bridge girder erection on both railroad bridges occurred during April. Intensive look-ahead schedule helped keep activities on target dates, and by the end of April, Metrolink had accepted their bridge for the purposes of laying ballast and building main line track. Planning and firming up of UPRR and SCRRA shoofly-to-main line alignment lineovers continues. On May 1st a subcontractor's employee suffered a serious injury to his right hand during setting of the fascia girder on the steel deck girder bridge (the UPRR bridge); this was the first such injury on the project. A full report is being prepared.
- East End Avenue construction is ongoing, with continuation of utility related activities and roadway excavation. Started retaining wall construction at East End Avenue. Continued construction activities for the UPRR bridge construction at East End. Continued pump station activities at Reservoir. Reservoir Street project dedication will be in April.
- At the Nogales Street underpass project contract closeout and final quantity change orders are being negotiated. Sale of excess property to a private developer is in escrow and street dedication documents have been prepared.
- The Temple Ave Train Diversion construction continued with the installation of various structural facilities. Completed installation of 42 inch VCP sewer pipe. The majority of track embankment and grading has been completed. Started re-construction of State Street eastside. Finalization of construction and maintenance agreement (with 4th track) is in process. A new construction contract for remaining civil work related to the 4th Track work is scheduled for advertisement of bids in summer 2007.

- Continued coordination and review of the Ramona, Reservoir, Brea Canyon and Sunset Avenue project construction interface schedules with UPRR.
- Community outreach activities continued for various projects.

BUDGET/SCHEDULE

Work is currently proceeding within schedule and budget.

COMPLETED AND ONGOING WORK ACTIVITIES

PROGRAM MANAGEMENT SCOPE

I. General Program Management & Administration Service:

A. Management and Administration

- Provided direction to PM team for accomplishment of tasks.
- Maintained progress on tasks.
- Submitted monthly invoice.
- Prepared various cost and budget reports.
- Updated detailed project schedule.

B. Procurement

- Continued review and processing of active contract changes, amendments and documentation for the Brea Canyon, Temple Train Diversion, East End/Reservoir St., Ramona Blvd, Baldwin and Sunset grade separation projects.
- Continued preparation of bid documents for the Temple 4th Track project.

C. Quality Control Program/Value Engineering

- No activities

D. Utility Program Management

- Ongoing planning and coordination with major utility companies.
- Began review and update of Baldwin Ave. project utility relocation requirements.
- Continued utility relocations for the Brea Canyon Grade Separation Project.
- Continued with relocation of utilities for the Sunset Avenue Project.
- Continued with relocation of utilities for the East End/Reservoir Project.

E. Environmental Program

- Continued Mitigation Monitoring and Reporting Programs.
- IS/EA draft report for San Gabriel Rail lowering project completed. Currently being edited based on Caltrans/FHWA comments.

F. Permitting Support

- Obtaining permits from regulatory agencies continues. Public Utilities Commission staff has a petition regarding the Sunset project and a submittal on the Temple 4th Track project.

G. Public Outreach

- Distributed construction alert notices regarding work on south side of Valley Boulevard for Sunset Avenue Grade Separation project.
- Distributed construction alert notice regarding summer work on school campus for East End Avenue Grade Separation project.

- Distributed construction alert notices directing Metrolink passengers to use temporary waiting platform along shoofly at Brea Canyon Road Grade Separation project.
- Distributed construction alert notices regarding curb, gutter, sidewalk and street repaving for Brea Canyon Road Grade Separation project.
- Conducted ongoing business support program and community outreach activities for the Brea Canyon Road, East End Avenue, Ramona Boulevard, Sunset Avenue and Temple Avenue projects.

II. Project Management Services

- Ongoing project coordination with involved agencies/jurisdictions/UPRR.
- Providing technical direction to B-K sub consultants.

TECHNICAL SCOPE

Right-of-Way Program and Technical Services

- Negotiations ongoing on one (1) Reservoir Street property, one (1) Temple Avenue train property and one (1) Ramona Boulevard property. Acquisition completed for two (2) Ramona Blvd. properties.
- Processing relocation assistance for two (2) businesses located at the Ramona Boulevard Grade Separation Project.
- Continued property management of one (1) East End Avenue property, six (6) Nogales Street properties, eleven (11) Reservoir Street properties and four (4) Ramona Boulevard properties.
- Provided support in obtaining easement rights needed for utility relocation on Nogales Street, Reservoir Street, East End Avenue and Ramona Boulevard projects. Resolution of Necessity for two (2) Sunset Ave. properties and four (4) Brea Canyon properties approved August 22, 2005. Litigation support ongoing.
- Processing the sale of one (1) Nogales Street surplus property.
- Evaluated the potential inconvenience during construction activities to residents adjacent to Brea Canyon Road project.
- Responded to property owner inquiries regarding the ACE Project at Ramona Boulevard, East End Avenue, Nogales Street, Reservoir Street, Temple Avenue Train Diversion, Brea Canyon Road, and Sunset Avenue.
- Continued liaison with Caltrans Local Programs personnel.
- Property declared as "Surplus" at Reservoir Street advertised for sale or lease to public agencies.
- Commenced notification to owners/tenants of Baldwin Avenue Grade Separation Project.

Railroad and Shoo-fly Design

- Continued coordination with UPRR for the Brea Canyon and Sunset Avenue projects.

Surveying and Mapping Program

- Developing Plat Maps and legal descriptions for the required properties at Brea Canyon and Sunset Avenue project files.

NEXT PERIOD

Continue development of all scheduled activities.

**ALAMEDA CORRIDOR EAST
PROJECT STATUS REPORT
RAMONA BLVD. GRADE SEPARATION**



For the Month: **April 2007**

Scope:	Construct a grade separation at Ramona Blvd. in the City of El Monte
Contractor:	Brutoco Engineering & Construction, Inc.
Construction Manager:	Lim & Nascimento Engineering (LAN)
Contract Award:	September 27, 2004
Notice to Proceed:	December 15, 2004
Estimated Contract Completion:	February 5, 2008

Project Milestone Summary	Estimated Start	Estimated Completion	% Complete
Install Storm Drain System	May 2005	June 2007	81%
Install Water Line	September 2005	October 2007	27%
Prepare Shoofly	July 2005	November 2006	95%
Construct UPRR bridge foundations	September 2006	March 2007	94%
Construct UPRR bridge superstructure	May 2005	June 2007	65%
Construct Future UPRR bridge foundations	June 2007	September 2007	
Construct Metrolink bridge foundations	September 2006	February 2007	94%
Construct Metrolink bridge superstructure	September 2005	June 2007	63%
Build Pump Station	December 2005	October 2007	65%
Construct Retaining Walls	August 2005	November 2007	56%
Ramona Blvd. Civil Work	April 2005	January 2008	52%
Open to public		February 2008	
Complete Landscaping/Irrigation	February 2007	February 2008	

Financial Summary	
Original Contract Value	\$ 17,721,474.85
C.O.s Approved This Month	\$ 0.00
C.O.s Approved to Date	\$ 1,806,702.16
Current Contract Value	\$ 19,528,177.26
Total Earned to Date	\$11,858,576.96

RAMONA BOULEVARD GRADE SEPARATION PROJECT



Steel Girder Erection- UPRR Bridge (4/5/07)

STAGE 3 PUMP STATION WALLS AND WATERPROOFING

STAGE 2 UPRR ABUTMENT 1, SCRRA BENT 2, AND FUTURE SCRRA ABUTMENTS WORK IS ONGOING.

RETAINING WALL 1 FOOTINGS WERE POURED FEBRUARY 13, 2007. RW 1B AND 2 FOOTINGS WERE POURED FEBRUARY 17, 2007. WEST END RW 3/4 FOOTINGS WERE POURED FEBRUARY 21, 2007. RW 5/6 FOOTINGS WORK IS ONGOING.

STAGE 3 PUMP STATION UPPER VAULT AND TRASH RACK WAS POURED FEBRUARY 28, 2007. WATERPROOFING AND DAMPPROFING WORK IS ONGOING.

CONTRACTOR **BRUTOCO CONSTRUCTION**

CONTRACT AWARD **DECEMBER 2004**
COMPLETION **FEBRUARY 2008**

ORIGINAL CONTRACT **\$ 17,721,475**
CHANGE ORDERS **\$ 1,806,702**
TOTAL CONTRACT **\$ 19,528,177**

EARNED TO DATE **\$ 11,858,577**

CURRENT STAGE OF WORK

**STAGE 2 ABUTMENTS AND BENTS FOR
UPRR, SCRRA AND FUTURE SCRRA
RETAINING WALLS 1, 1B, 2, 3, 4, 5, 6**



Precast Concrete Girder Erection - Metrolink
Bridge (4/4/07)



**IAN ENGINEERING
CORPORATION**
CONSTRUCTION MANAGEMENT DIVISION

APRIL 2007

ALAMEDA CORRIDOR EAST
PROJECT STATUS REPORT
TEMPLE AVENUE TRAIN DIVERSION PROJECT

For the Month: **April, 2007**

Scope:	For 3 rd Mainline Construct 3 new railroad bridges and 1 new traffic bridge; widen 3 existing railroad bridges; grade for new track bed and modifications of existing track beds; construct sound walls, retaining walls, and pier protection walls; install utilities or modify existing utilities; rehabilitate existing LDC well; and, construct new Audiology Clinic for Lanterman Developmental Center. For 4 th Mainline Construct 1 new traffic bridge; grade for new track bed; retaining walls, and pier protection walls; and modify existing utilities;
Contractor:	Yeager Skanska, Inc.
Construction Manager:	Parsons Brinckerhoff Construction Services, Inc. (PBCS)
Contract Award:	January, 2005
Notice to Proceed:	May 2, 2005
4 TH TRACK CN 10 NTP	July, 2006
4 TH TRACK CN 10 COMPLETION	August 29, 2007
Anticipated Completion:	August 29, 2007

Temple Ave Schedule Summary	Estimated Start	Estimated Completion	% Complete
SPADRA FARM EMBANKMENT & BRIDGES	May, 2005	April, 2006	99%
LA SUBDIVISION EMBANKMENT	October, 2005	March, 2006	97%
LA SUBDIVISION STRUCTURES **	October, 2005	August, 2007	80%
LANTERMAN AUDIOLOGY LAB	May, 2005	November, 2006	99%
ALHAMBRA SUB PASSING SIDING	May, 2005	DELETED	0%
4TH TRACK CN 10 STRUCTURES	August, 2006	June, 2007	80%
4TH TRACK CN 10 EMBANKMENT	August, 2006	August, 2007	97%

Financial Summary			
Original Contract Value	\$24,389,743		
C.O.s Approved This Month	\$ 0		
C.O.s Approved to Date	\$ 4,856,688		
Current Contract Value	\$29,246,431		
Invoiced to Date (% of revised contract)	\$26,907,332.05		92%

TEMPLE AVENUE TRAIN DIVERSION PROJECT

Contractor	Yeager-Skanska
Contract Award	January 2005
Limited NTP	March 2005
NTP	May 2, 2005
Completion	May 2, 2007
Revised Completion	August 29, 2007
Original Contract Value	\$24,389,743
Change Orders this Month	\$ 0
Amended Contract Value	\$29,246,431
Earned to Date	92% \$26,907,332.05

Progress Summary

• Spadra Farm embankment & bridges	99%
• LA Subdivision embankment	97%
• LA Subdivision structures	80%
• Lanterman Audiology Lab	99%
• Alhambra Sub Passing Siding (10%)	Deleted
• 4 th Track CN 10 Structures	80%
• 4 th Track CN 10 Embankment	97%

Safety and Security Issues:

Safety:

• TIME LOST INJURY STATUS	None Reported
• INCIDENTS THIS MONTH	None Reported

Security: Nothing to report

Initial Event Reports: Nothing to report

Work Accomplished this Month

- Complete Bridge 28.22 abutment # 2 backwalls
- Started Re-construction of State Street East Side
- Complete Installation of 42" VCP & Abandonment of Existing LACSD Sewer Line

Upcoming Work next Month

- Complete Temple Ave PPW # 2
- Assembly of Bridge 28.22 Superstructure
- Re-construction of State Street West Side
- Make determination on structures 29.12 & 29.38 scope of work.



State Street Reconstruction East Side



State Street Reconstruction East Side



ALAMEDA CORRIDOR EAST
PROJECT STATUS REPORT
EAST END/ RESERVOIR GRADE SEPARATIONS

For the Month: April 2007

Scope:	Construct two railroad and two roadway bridges to grade separate the East End and Reservoir roadways from the railroad.
Contractor:	Ortiz Enterprises, Inc.
Construction Manager:	PB
Contract Award:	March, 2004
Notice to Proceed:	June, 2004
Estimated Completion:	Reservoir – December 2006 East End – May, 2008

Reservoir Schedule Summary	Estimated Start	Estimated Completion	% Complete
Reservoir utility	June 2004	July 2006	100%
Railroad bridge construction	February 2005	February 2006	100%
lower streets/construct retaining walls	August 2005	December 2006	100%
Storm Water Lift Station	March 2006	November 2006	99%
1 st Street bridge construction	March 2006	October 2006	100%
Open 1 st Street to traffic	December 2006	April 2007	100%
Open Reservoir Street to traffic	December 2006	December 2006	100%
East End Schedule Summary			
East End utility relocations	June 2005	June 2007	80%
Shoofly construction for East End	September 2005	February 2007	100%
SCE Temporary Relocation (field work)	February 2006	December 2007	100%
Verizon Permanent Relocation	April 2006	January 2007	100%
Railroad bridge construction	January 2007	May 2008	25%
Lower streets/construct retaining walls	February 2007	March 2008	15%
Storm Water Lift Station	January 2007	May 2007	10%
1 st Street bridge construction	January 2007	August 2007	0%
Open 1 st Street to traffic	---	September 2007	---
Open East End Avenue to traffic	---	June 2008	---
Via Pueblo School access work	June 2007	September 2007	0%

Financial Summary			
Original Contract Value	\$30,208,600		
C.O.s Approved This Month	\$515,852		
C.O.s Approved thru This Month	\$2,335,594		
Current Contract Value	\$32,544,194		
Invoiced to Date (% of revised contract)	\$22,822,614		70%

EAST END / RESERVOIR GRADE SEPARATION PROJECT

Contractor	Ortiz
Contract Award	March 2004
NTP	June 2004
Milestone to Reopen Reservoir	December 2006
Original Completion	August 2007
Revised Completion	April 2008
Original Contract Value	\$30,208,600
Change Orders this Month	\$515,852
Amended Contract Value	\$32,544,194
Earned to Date 70%	\$22,822,614

Progress Summary

• Reservoir contract:	99%
• East End Railroad Bridge:	25%
• East End Utility installation	80%
• East End Roadway Excavation	30%
• East End Retaining walls:	15%
• East End Lift Station Retaining Walls	10%
• 1 st Street Bridge @ East End	0%

Safety and Security Issues:

Safety:

- TIME LOST INJURY STATUS None
- INCIDENTS THIS MONTH None
- Security: Nothing to report
- Initial Event Reports: Nothing to report.

Work Accomplished this Month

Reservoir

- Finished installing walkway handrails.
- Open 1st St to traffic

East End

- Finished sanitary sewers and water & service tie-ins
- Gas Co finished gas pipe relocation
- Continued RR bridge girder fabrication
- Completed RR bridge, phase 1 foundations
- Continued road excavation & lagging installation
- Started retaining walls R3 & R5 foundations

Upcoming Work next Month @EE

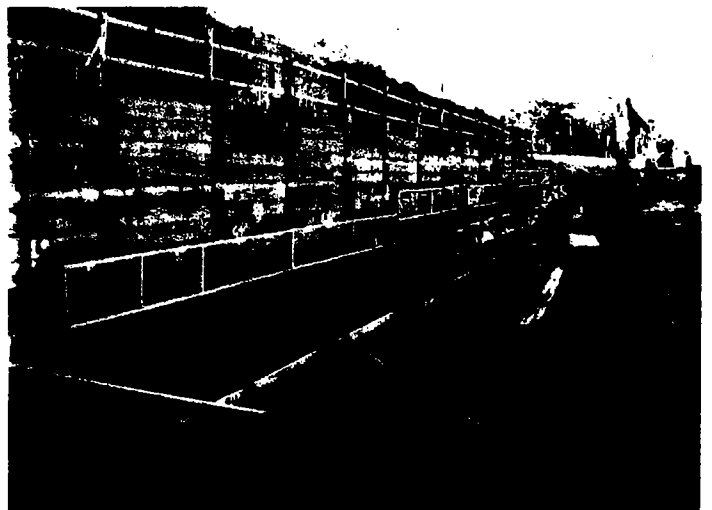
- Complete phase 1 RR bridge
- Continued road excavation & lagging installation
- Continued lift station excavation & lagging installation
- UPRR to construct new Alhambra mainline track



Looking N@ EE-Shoring "Tie back" installation



Girders installation @ EE-RR Bridge Phase 1



Looking South @ EE, Retaining wall R3 installation



ALAMEDA CORRIDOR EAST
PROJECT STATUS REPORT
BREA CANYON ROAD GRADE SEPARATION

For the Month: **April 2007**

Scope:	Construct a grade separation at Brea Canyon Road in the Cities of Industry and Diamond Bar
Contractor:	Griffith Company
Construction Manager:	Lim & Nascimento Engineering
Contract Award:	April 28, 2006
Notice to Proceed:	July 5, 2006
Estimated Contract Completion:	July 5, 2008

Project Milestone Summary	Estimated Start	Estimated Completion	% Complete
Install Storm Drain System	7/18/06	4/13/07	90
Install Sewer Line	9/8/06	4/28/07	98
Prepare Shoofly	7/11/06	4/28/07	90
Construct bridge foundations	5/9/07	7/16/07	0
Construct bridge superstructure	7/16/07	11/2/07	0
Construct Metrolink Access Road	7/3/06	12/8/06	100
Install MWD Water Line	12/22/06	3/24/07	100
Install SCE Trans & Distribution	7/11/06	2/4/08	90
Build Pump Station	8/1/06	6/11/07	5
Construct Retaining Walls	2/21/07	4/10/08	5
Roadway Civil Work	8/9/06	12/21/07	5
Complete Landscape, Irr & Lighting	10/10/07	6/30/08	0
Shea Property Improvement Option	10/31/07	6/18/08	0
Open to public	5/1/08	6/30/08	0

Financial Summary	
Original Contract Value	\$ 39,958,807.00
C.O.s Approved This Month	\$ 545,462.38
C.O.s Approved to Date	\$ 1,110,558.44
Current Contract Value	\$ 41,069,365.00

BREA CANYON ROAD GRADE SEPARATION PROJECT

CONTRACTOR GRIFFITH COMPANY

CONTRACT AWARD APRIL 28, 2006

NTP JULY 5, 2006

COMPLETION JULY 5, 2008

ORIGINAL
CONTRACT VALUE \$ 39,958,807

AMENDED
CONTRACT VALUE \$ 41,069,365

EARNED TO DATE \$ 18,584,523

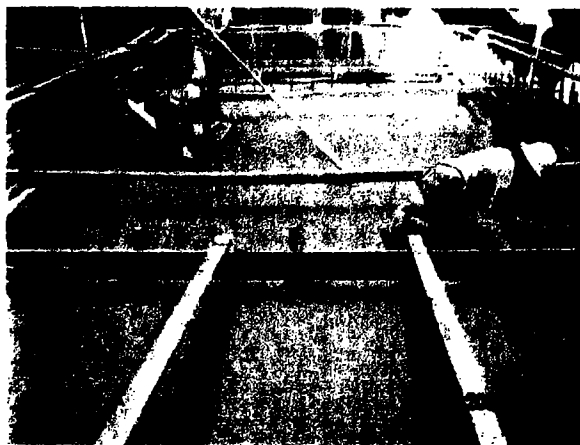
CURRENT STAGE OF WORK STAGE 1&2

* PROJECT COMPLETION DATE AS OF TODAY IS
7/5/08

* TOTAL PROJECT FLOAT - DAYS



KLEINFELDER — SOIL INVESTIGATION AT SHOOFLY
OVER SEWER LINE



FINISHING BOTTOM SLAB OF PUMP STATION



PLACING CONCRETE IN RW#3 FOOTING

SAFETY AND SECURITY ISSUES:

SAFETY:

*TIME LOST INJURY STATUS - NONE

SECURITY:

*NO ISSUES THIS MONTH

INITIAL EVENT REPORTS:

*INITIAL EVENT REPORTS - NONE



IAN ENGINEERING
CORPORATION
CONSTRUCTION MANAGEMENT DIVISION

APRIL 2007

ALAMEDA CORRIDOR EAST
PROJECT STATUS REPORT
SUNSET AVENUE GRADE SEPARATION PROJECT

For the Month: **April 2007**

Scope:	Construction of grade separations at the UPRR crossings at Orange Avenue and Sunset Avenue. Orange and Sunset Avenues will be lowered slightly and the tracks raised on embankments and two steel thru-girder bridges. California Street will be raised and reconstructed to meet the new track locations. Valley Boulevard will be reconstructed at all three intersections. Trackwork will consist of a new raised mainline track; at grade drill track and industry track connection to the north; and a temporary shoofly to the south requiring temporary closure of the northerly lane of Valley Blvd.
Contractor:	Atkinson Contractors, LP
Construction Manager:	PB
Contract Award:	August 28, 2006
Notice to Proceed:	November 14, 2006
Contract Completion:	November 18, 2009

Schedule Summary	Estimated Start	Estimated Completion	% Complete
California Ave Shoofly & Street Restoration	1/10/07	July 2007	60%
Valley Blvd Shoofly	May 2007	July 2007	0%
Drill Track	August 2007	April 2008	0%
Retaining Walls	April 2008	November 2008	0%
Sunset Avenue Bridge	August 2008	December 2008	0%
Orange Avenue Bridge	August 2008	October 2008	0%
Valley Blvd Street Restoration	April 2009	June 2009	20%
Landscaping & Irrigation	May 2009	April 2009	0%

Financial Summary			
Original Contract Value	\$41,938,421.50		
C.O.s Approved This Month	\$0		
C.O.s Approved to Date	\$0		
Current Contract Value	\$41,938,421.50		
Invoiced to Date (% of revised contract)	\$4,276,211.78		10.1%

SUNSET AVENUE GRADE SEPARATION PROJECT

Contractor	Atkinson Contractors, LP
Contract Award	August 2006
Limited NTP	November 1, 2006
NTP	November 14, 2006
Completion	November 18, 2009
Original Contract Value	\$41,938,421.50
Change Orders this Month	\$0
Amended Contract Value	\$41,938,421.50
Earned to Date	10.1% \$4,276,211.78

Progress Summary

• California Ave Shoofly & Street Restoration	60%
• Valley Blvd Shoofly	5%
• Drill Track	0%
• Retaining Walls & Backfill	0%
• Sunset Avenue Bridge	0%
• Orange Avenue Bridge	0%
• Valley Blvd Street Restoration	20%
• Landscaping & Irrigation	0%

Safety and Security Issues:

Safety:

• TIME LOST INJURY STATUS	None Reported
• INCIDENTS THIS MONTH	None Reported

Security: Nothing to report

Issues

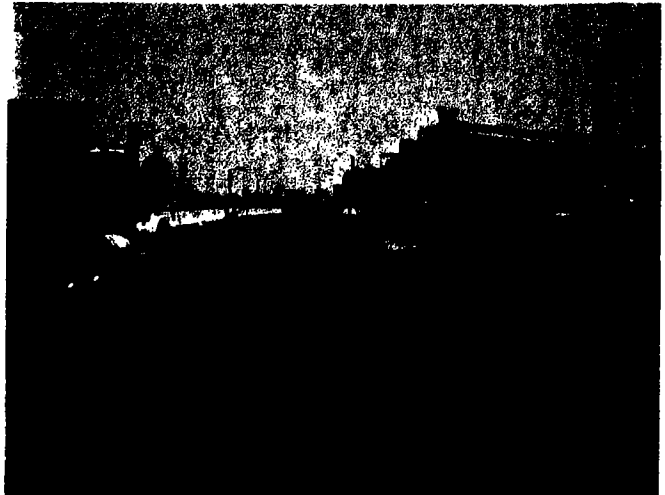
- EPA Monitoring Wells at California. CM is coordinating the installation of EPA piping to connect wells.
- LINE 'F' Installation. Line F can not be installed as planned due to ductbank conflict. The CM is currently coordinating with SCE to verify if relocation of the interfering ductbank can be relocated or modified.
- Line 'S' Compaction. The backfill compaction continues to fail compaction tests. The CM is currently trying to verify conflicting test reports with Contractor.

Work Accomplished this Month

- Install Line 'S' - 24" RCP.
- Install Curb/Gutter/AC Paving California / Valley Median
- Phase A - Stage 6 Traffic Switch Valley Bl (Median to EB) and Demolition

Upcoming Work next Month

- Install Line 'S' - 24" RCP.
- Install AC Paving at Valley and California
- Install Curb/Gutter/AC Paving Valley Bl. East Bound
- Grade Valley shoofly track alignment



Phase A Stage 6 - Valley Bl East Bound Demolition



Installation of Line 'S' - 24" RCP at California



AC Paving at California Ave. / Valley Blvd. Median





Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: May 21, 2007

SUBJECT: Approval of Contract Amendment for Design Services During Construction for Ramona Blvd Grade Separation with DMJM+Harris

RECOMMENDATION: Staff recommends that the Board authorize the Chief Executive Officer to amend the contract with DMJM+Harris to add \$81,000 for design services during construction of the Ramona Blvd. grade separation, for a new contract value of \$3,211,543, and extend the completion date of the contract through February 2008.

BACKGROUND: In March 2004 you approved a contract amendment with DMJM+Harris for design support services during construction of the Ramona Boulevard grade separation in the City of El Monte. The amendment provided a design support services budget of \$440,000, resulting in an overall executed contract value of \$3,000,577. In March 2005, another amendment providing \$129,966 for the purposes of designing additional abutments for a future Metrolink bridge resulted in the current contract value of \$3,130,543 (this \$129,966 was reimbursed by Metrolink).

Construction of the Ramona Blvd. underpass began in December 2004. DMJM+ Harris has been responding to contractor's questions, reviewing shop drawings and other contractor submittals, preparing design changes, attending on-site meetings and performing other tasks. In addition, DMJM+Harris provided design support services during advertising, bid and award of the Ramona project prior to construction.

In 2004 the advertise/bid/award and construction period for the Ramona Blvd. underpass was estimated to be 33 months. The project is taking longer than expected to complete due to delays by UPRR and Metrolink in moving over to their shoofly tracks and delays in relocation of two major underground AT&T/SBC trunk lines away from underpass excavation areas. The bridge portions of the project, which include the construction of two adjacent but differing bridge types (steel deck girder vs. precast concrete girder) and extra abutments for future bridges on both railroads, have been more complicated than originally contemplated and have required additional design refinements and changes during construction. Other project elements requiring increased design support services have including the pumphouse, retaining wall footings and electrical services for street lights and traffic signals. The combined effect of construction delays and greater than anticipated workload will cause us to run short of design support budget.

DMJM+Harris is the designer of the Ramona Boulevard underpass and needs to be available to review and respond to questions that may arise throughout the remainder of its construction and the punchlist/closeout phase of the project.

The history of this contract is as follows:

Ramona Blvd. Grade Separation

Board Action	Authorization	Executed Amount
Contract Award	\$1,552,522	\$1,552,522
Amendment 1	\$150,915	\$150,915
Amendment 2	\$271,353	\$265,910
Amendment 4/6	\$612,272	\$592,276
Amendment 7	\$440,000	\$438,954
Amendment 8	\$130,000	\$129,966
This Request	\$81,000	\$81,000 (est.)
Total	\$3,238,062	\$3,211,543

BUDGET IMPACT: Funds for these contracts are available from grant funds (Federal and State and MTA Prop. C funds) and have been included in the adopted budget.



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: May 21, 2007

SUBJECT: Approval of Amendment to Agreement with PB Americas, Inc. for Construction Management Services for East End Avenue and Reservoir Street Grade Separation

RECOMMENDATION: Staff recommends that the Board authorize the Chief Executive Officer to amend the contract with PB Americas, Inc. (PB) to add an amount not to exceed \$1,267,170 to Task Order # 1 of the contract for construction management services associated with the East End Avenue and Reservoir Street Grade Separations project. The new task order value will be the not-to-exceed amount of \$4,329,164.

BACKGROUND: At your May 2001 meeting, you authorized the Chief Executive Officer to negotiate a construction management (CM) services contract with Parsons Brinckerhoff Construction Services (PBCS) for Phase I grade separation projects. In February 2002, you approved the execution of the contract and issuance of Task Order #1 in an amount not-to-exceed \$3,062,062 for CM services for the East End Avenue and Reservoir Street grade separations project.

PB's CM services are required throughout the duration of the construction contract. At this time, additional funds are needed to compensate PB for an extended project duration and additional scope added to their services.

The initial schedule and budget called for PB's services for a 27-month period starting in December 2002. The construction contract was bid on November 6, 2003, and the contract was awarded on March 29, 2004, after a lengthy bid protest. PB's start up activities at a minimal level began in January 2004 and continued until the contract was awarded in March 2004. The construction contractor was given several limited notices to proceed in April and May, 2004, culminating in a full notice to proceed, effective June 1, 2004. The bid period delay effectively added several months to PB's duration.

In addition, during the course of construction at Reservoir Street, there have been two significant third party delays that have impacted the construction schedule. During the construction at Reservoir Street, the UPRR signal installation and precast girder shop drawing delays added 178 calendar days to the schedule. The Verizon relocation at Reservoir and their failure to show newly installed fiber optic lines correctly on the as-

built drawings caused another 92 calendar days of delay. Combined, this is a total of 270 days (9 months) added to the project duration.

PB is requesting funding for an additional 15 months duration, which will allow their services to continue through the construction contract period and provide time for contract closeout activities.

In addition to the extended project duration, PB has increased their scope to include additional safety inspection services. Construction has begun at East End Avenue, and due to the proximity of Via Pueblo School, staff feels it is prudent to augment PB's safety inspection staffing.

We have been working with PB to minimize any future delay and control the increased costs detailed above. We will continue to do so as we move towards project completion.

The history of this task order is as follows:

PB Americas, Inc.

Board Action	Authorization	Executed Amount
Task Order #1	\$3,062,062	\$3,061,994
This Request	\$1,267,170	\$1,267,170
Total	\$4,329,232	\$4,329,164

BUDGET IMPACT: Funds for this contract are available from State and MTA Proposition C 25% grant funds and have been included in the adopted budget. The project has been federally approved. Future federal construction authorization will allow future federal funds to be used for this project.



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Board Members and Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: May 21, 2007

SUBJECT: Approval of an Increased Authorization for Construction Contract Change Orders for the East End Avenue and Reservoir Street Grade Separations

RECOMMENDATION: Staff recommends that the Board increase the Chief Executive Officer's change order authorization by \$737,000 for a total of 12.4% of the original contract value to accommodate significant change orders compensating the contractor for delays as discussed below.

BACKGROUND: In March 2004, the Board authorized a contract with Ortiz Enterprises, Inc. (Ortiz) for the East End Avenue and Reservoir Street grade separation projects in the City of Pomona in the amount of \$30,208,600. Ortiz was given full notice to proceed on June 1, 2004. At the January 2007 meeting, the Board authorized the acceptance of the Reservoir Street grade separation as substantively complete. Work is now well underway at East End Avenue.

The Reservoir Street grade separation experienced several third party delays which added a net total of 270 days to the contract duration.

Early in the Reservoir construction we experienced two Union Pacific Railroad (UPRR) delays which extended the contractor's critical path schedule. Delays in the UPRR cutting over to the shoofly and accepting shop drawings for bridge girders had a combined effect of 178 days of contractor delay.

ACE anticipated that Verizon would complete the relocation of its fiber optic lines so as not to delay the construction, and that was reflected in the bid documents. This did not happen. The as-built drawings subsequently furnished by Verizon showed an incorrect location for the newly installed fiber optic lines. The newly relocated lines were now in conflict with the Ortiz's excavation shoring design for two retaining walls. The delay associated with Verizon's work was 152 days. In order to minimize the potential 152 day delay, Ortiz redesigned its shoring and accelerated its work activities. These efforts mitigated about 60 days of the delay associated with the Verizon fiber optic relocation. A change order in the amount of \$220,820.00 was executed in December 2006 to compensate Ortiz for this work.

Collectively, delay change orders executed or negotiated to address the above matters total \$1,252,563.

Leaving aside delay change orders, the total of all other changes orders approved is relatively modest (4.5% of original contract value). However, staff does not believe we will be able to close out the project with the delays noted above within the 10% change order authorization delegated with contract award.

Therefore, we are asking a supplemental authorization in the amount of \$737,000 which is the amount of the two most recent delay change orders (one executed, one negotiated). Approval of this additional authorization would result in a total contingency authorization of 12.4%.

BUDGET IMPACT: Funds for the anticipated costs are available from State grant funds (TCRP) and MTA Proposition C funds included in the Authority's approved budget.



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: May 21, 2007

SUBJECT: Approval of Employee High Deductible Health Plan Option

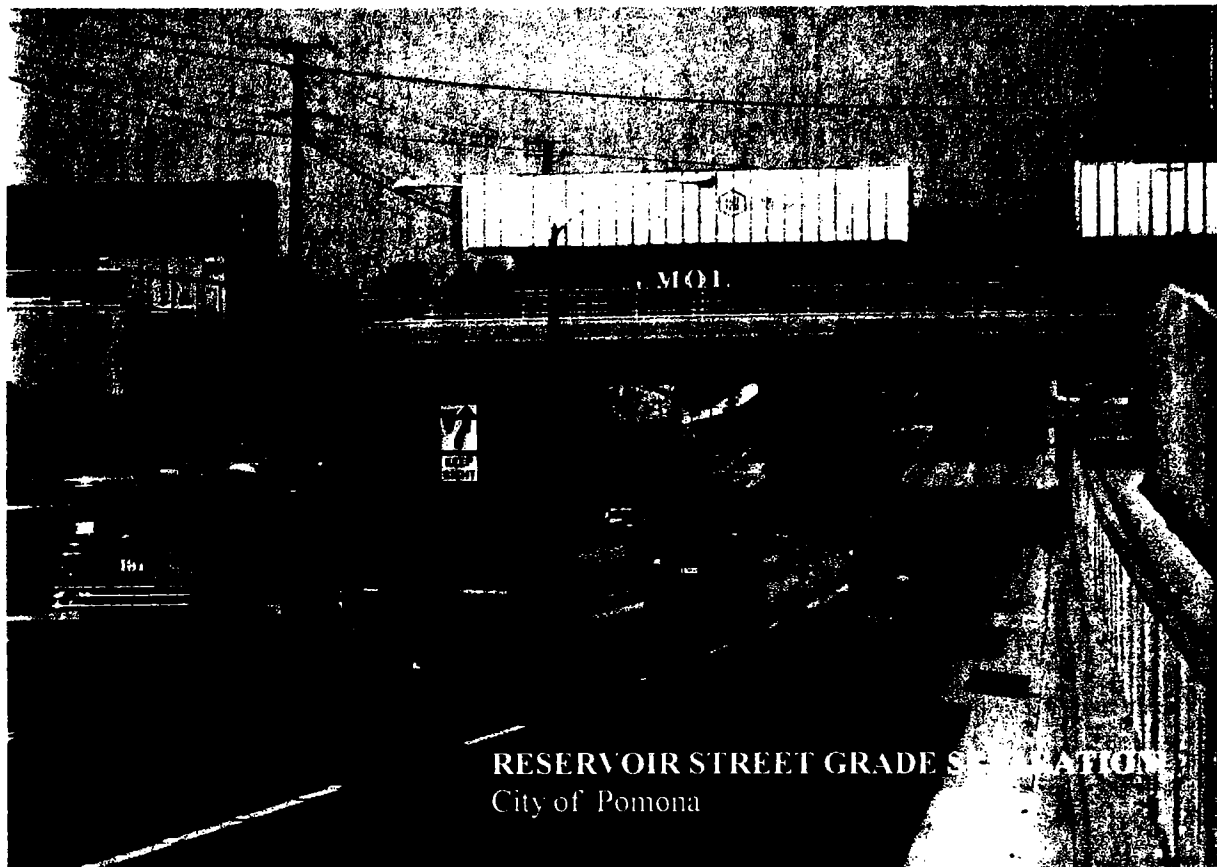
RECOMMENDATION: Staff recommends that the Authority contribute the maximum allowable deductible under IRS regulations to employees participating in High Deductible Health Plans (HDHP).

BACKGROUND: Beginning in May 2006 the Authority began offering an option for employee health insurance plans known as High Deductible Health Plans. Under these plans, health insurance coverage only begins after a high annual deductible is reached (currently \$2,500 for individuals and \$5,000 for families). The Authority deposits into individual health savings accounts the amount of the deductible. The cost to the Authority for a HDHP is substantially less than conventional health insurance coverage, even after accounting for the contributions to the individual health savings accounts. This year for the four employees opting for this coverage the savings to the Authority will be approximately \$6,700 when compared to conventional coverage.

For the current year IRS regulations allow for a maximum employer contribution of \$2,850 for individuals and \$5,650 for families. While employer deductible contributions are exempt from Federal income tax, they are subject to State income tax, unlike the treatment of premiums for conventional insurance coverage. To offset the increased tax exposure for employees participating in HDHP staff recommends agency funding of the individual health savings accounts to the maximum extent allowed by the IRS.

The agency savings referenced above would be reduced somewhat but would remain substantial.

Alameda Corridor-East Construction Authority



FY 2008 Proposed Budget

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City of El Monte
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City of Pomona
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City of Diamond Bar

Councilman Phil Marcellin
City of Industry

Mayor Paul Eaton
City of Montclair
(Ex-Officio San Bernadino
Associated Governments)

Rick Richmond
Chief Executive Officer

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San Gabriel Valley Council of Governments

3452 E. Foothill Blvd.
Suite 810
Pasadena, CA 91107

Phone: (626) 564-9702

Fax: (626) 564-1116

Web site: www.sgvcog.org

Nicolas T. Conway
Executive Director

Budget Message

Progress on implementing the Alameda Corridor-East (ACE) Project will continue as we will have five grade separations in construction, our final Phase I project, Baldwin Avenue, in real estate acquisition, and the San Gabriel Trench beginning design.

Reservoir Street, our second grade separation to be completed, was turned over to the City of Pomona in FY 2007. Construction continued at East End Avenue and Temple Avenue in Pomona, and Ramona Boulevard in El Monte. Contracts were let and construction begun on Sunset/Orange Avenues in the City of Industry and Brea Canyon Road on the border of the Cities of Industry and Diamond Bar.

The \$19.7 billion state transportation bond (Propositions 1 B), passed in November 2006, includes funding for trade corridor improvements, and goods movement environmental relief. Preparations have commenced at the state level on the allocation of funds to different projects throughout California. In addition, the state legislature is currently considering a container fee bill that would generate over \$250 million annually for trade corridor improvements in California's major port regions. ACE is hopeful that significant funding will be available as we begin Phase II of our program.

Rick Richmond

Chief Executive Officer

Project Background and Status

Background

Since the start of planning for the ACE project, train traffic has increased from an average of 55 trains per day to 70 - 85 trains per day during peak traffic periods. Auto and truck traffic across the Union Pacific Railroad tracks during the same period has increased and is expected to grow by 40% by the project's design year (2020). Future traffic increases at the ports and continuing local economic expansion will exacerbate this problem in the San Gabriel Valley.

The ACE Project includes safety improvements at 39 grade crossings located throughout the San Gabriel Valley, use of modern traffic control technology to minimize congestion at grade crossings, and 22 grade crossing eliminations. ACE has completed two grade separations, implemented safety improvements throughout the San Gabriel Valley and is in the process of completing the remaining grade separations included in the first phase of the project. The original project estimate from 1997 has been updated recently to take into account inflation over the last 10 years, higher than anticipated right-of-way requirements, and increased railroad and utility relocation costs. The ACE Board has accepted the revised project estimate increase from \$910 million to \$1.404 billion.

Project Status

The following is a summary of the status of each of the Phase I project components:

Railroad Crossing Safety Improvements (39 crossings)

- Completed

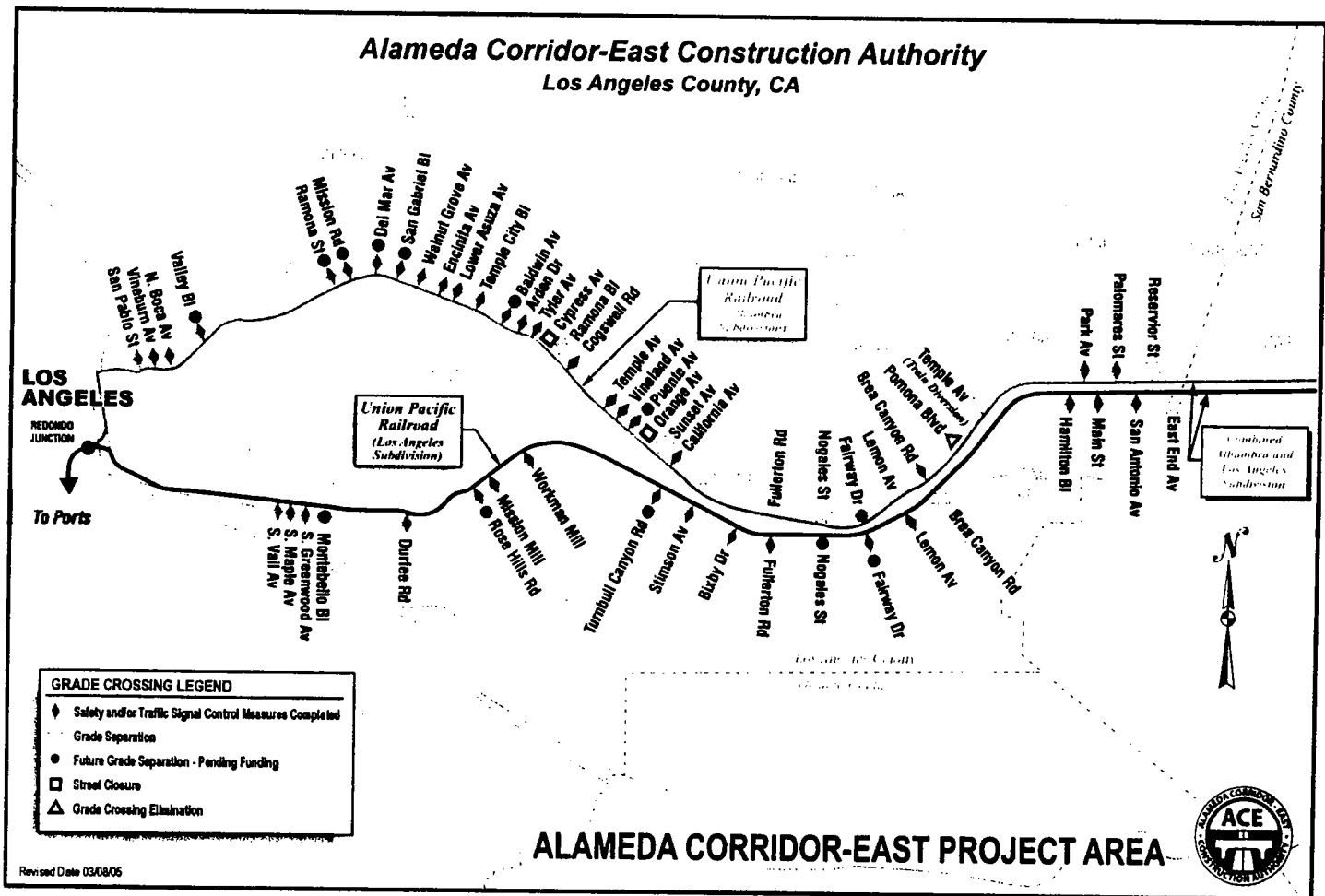
IR/RIS - Intelligent Roadway/Rail Signal System

- Initial installations of demo system unsuccessful; retrofit under study.

Grade Separations (12 crossings eliminated – 8 separations managed by ACE)

- Two grade separations completed.
- Five grade separations in construction.
- One grade separation acquiring right-of-way.

Project Map



Funding Status

The current cost estimate for Phase I is \$486.1 million. (March 2007 Quarterly Status Report). An additional \$20.1 million in city or railroad requested and funded property enhancements bring the total projected expenditures to \$506.2 million.

The following funding has been authorized for the "baseline" project (excluding enhancements). Not all of these funds are immediately available.

<u>Funding Source</u>	<u>(millions)</u>
Federal TEA-21 Demonstration Earmark	\$ 129.0
Federal SAFTEA-LU Demonstration Earmark	73.9
Federal Trade Corridor Grants and Appropriations	16.4
State Highway Funds (ITIP)	38.7
State General Funds (TCRF)	130.3
MTA "Call for Projects"	128.9
UPRR/SCRRRA Contribution	<u>12.5</u>
	\$ 529.7

Proposition 1B, passed in November 2006, includes funding for several types of transportation improvements, including trade corridor improvements such as ACE. The State is currently establishing the project administration process for allocating funds to different projects throughout California. The state legislature is currently considering a container fee bill that would generate over \$250 million annually for trade corridor improvements in California's major ports regions. ACE is actively supporting and/or pursuing these anticipated state funds and we are hopeful that significant funding will be available for Phase II of the project.

FY 2007 Budget Status

The Board of Directors adopted the Fiscal Year (FY) 2007 Budget in May 2006.

The attached table (Exhibit I) compares the FY 2007 Budget to the estimated actual expenses as of June 30, 2007.

As in the past, our annual budget is broken down into two categories – indirect project expense and direct project expense.

Indirect Project Expense

Indirect expenses (such as salaries, rent, office supplies, etc.) that cannot easily be charged to specific project activities are billed to grants based on an annual indirect rate plan approved by Caltrans. The rate approved for FY 2007 was 8.5% and included a "catch-up" provision for under spending in prior years. ACE anticipates indirect expenses will be \$4.2 million, about 2% under budget.

Indirect expenses are expected to overrun in two areas, however:

- Salaries (\$16,000 or 2%) due to the addition of a permanent part-time employee.
- Program management (\$237,000 or 16%) due to beginning Baldwin Avenue ROW acquisition which was authorized by the Board in mid-fiscal year.

Direct Project Expense

Direct expenses are those than can be readily associated with specific projects such as staff or program management time, engineering, property acquisition, construction, and miscellaneous support costs. As a general rule, overruns in direct annual costs are a positive sign of faster than assumed progress, if total project costs aren't increasing.

Conversely, underruns generally mean slower progress and result in under-collection of indirect costs.

The most significant projected direct expense variances are:

- Legal (over budget)– Higher than anticipated legal expense on Sunset Ave. and Brea Canyon Road right-of-way (ROW) acquisition.
- ROW Acquisition (over budget) – Unanticipated purchase of the Hartlieb office building at the Brea Canyon Road site.
- Railroad (under budget) – Schedule delays on three projects (Ramona Avenue, Temple Avenue and Brea Canyon Road) and expected increases in Union Pacific Railroad overhead charges not billed as yet.
- Construction (over budget) – Strong performance at Brea Canyon Road and other sites.

Exhibit I
FY 2007 Budget vs. Est. Actual
(\$ in Thousands)

Expenditures	Yr End Estimate	FY 2007 Budget	Under/ (Over)
Indirect			
Personnel			
Salaries and Wages	\$ 904	\$ 888	\$ (16)
Fringe Benefits	411	417	6
Board/Employee Expenses			
Auto/Travel	42	41	(1)
Training/Memberships	5	14	9
Board Related Expenses	17	20	3
Professional Services			
Auditing/Accounting	37	40	3
DBE/Labor Compliance	114	190	76
Legal - Agency Support	39	29	(10)
Program Management	1,737	1,500	(237)
State/Federal Advisory Services	222	245	23
Risk Management	55	65	10
UPRR Invoice Review	72	62	(10)
Insurance	370	500	130
Equipment Expense	45	59	14
Office Expense	201	201	-
Office Operations	24	54	30
Other	3	7	4
Total Indirect	<u>4,298</u>	<u>4,332</u>	<u>34</u>
Direct			
Salaries and Wages	405	370	(36)
Program Management	2,526	1,860	(666)
Legal	1,056	548	(508)
Labor Compliance	185	146	(39)
Design	1,243	1,242	(1)
ROW Acquisition	5,950	2,186	(3,764)
Utility Relocation	244	941	697
Construction Mgt	3,939	3,795	(144)
Railroad	4,699	10,834	6,135
Construction	57,384	44,855	(12,529)
Advertising	23	10	(13)
Total Direct	<u>77,654</u>	<u>66,787</u>	<u>(10,867)</u>
Total ACE	<u>\$ 81,952</u>	<u>\$ 71,119</u>	<u>\$ (10,833)</u>

Meeting FY 2007 Goals

Last fiscal year's budget set forth a number of goals for FY 2007. The following is the anticipated status of each goal as of June 30, 2007:

Project Implementation	
Goal	Progress
San Gabriel Trench: Complete environmental clearance process	<ul style="list-style-type: none">• Noise and vibration technical study completed• SHPPO documentation finalized• Caltrans/FHWA reviewing IS/EA
Ramona Boulevard: Construction 90% complete.	<ul style="list-style-type: none">• 75% complete
Temple Avenue: Third track: Right-of-way construction completed; Third Track: Track/signal installation 20% complete Fourth track: Right-of-way construction 20% complete	<ul style="list-style-type: none">• 98% complete• Postponed by UPRR• Completion of engineering and bidding delayed
Brea Canyon Road: Construction 35% complete	<ul style="list-style-type: none">• 50% complete
Sunset Avenue: Construction 10% complete	<ul style="list-style-type: none">• 5% complete
East End Avenue: Construction 30% complete	<ul style="list-style-type: none">• 15% complete
Reservoir Street: Open to traffic by November, 2006	<ul style="list-style-type: none">• Opened to traffic December 2006

Project Implementation	
Goal	Progress
IRRIS: System under City of Pomona operation	<ul style="list-style-type: none"> Not accomplished; train detection element failed to meet specs; retrofit being studied

Funding/Financial/Administration	
Goal	Progress
Secure initial SAFETEA-LU funding	<ul style="list-style-type: none"> FHWA approved Section 1301 application (\$31.25M)
If State Transportation bond passes, obtain project funding allocation from CTC	<ul style="list-style-type: none"> Participating in State hearings and CTC working group meetings on guidelines and application process
Work with other interested parties to identify permanent goods movement funding source	<ul style="list-style-type: none"> ACE included in State Goods Movement Action Plan for \$313 m of Prop 1B bond funds ACE included in SB 974 as eligible project for container fees
Maintain sound financial and accounting systems and state/federal/local audit compliance	<ul style="list-style-type: none"> Obtained clean financial audit and management letter Audit findings 1.3% of total contract amount audited MTA now allowing ACE to self-audit contracts
Minimize use of working capital – keep 90-95% of note proceeds invested.	<ul style="list-style-type: none"> 94.6 % of note proceeds invested.

Outreach	
Goal	Progress
Conduct ribbon-cutting ceremony for Reservoir Street project	<ul style="list-style-type: none"> Reservoir Street project dedication ceremony held on April 2, 2007
Implement Business Support Program, School Safety Outreach Program and construction outreach activities	<ul style="list-style-type: none"> Business Support and School Safety Outreach programs implemented and construction outreach activities conducted
Adopt DBE program to meet anticipated changes in Caltrans regulations.	<ul style="list-style-type: none"> Caltrans/FHWA approved ACE revised DBE program

ACE CONSTRUCTION AUTHORITY FY 2008 GOALS

Staff proposes to accomplish the following by June 30, 2008 (unless otherwise noted):

Project Implementation

- Ramona Boulevard: Open to traffic by Fall 2007
- Temple Avenue: Fourth Trace right of way 90% complete
- Brea Canyon Road: Construction 90% complete
- Sunset Avenue: Construction 50% complete
- East End Avenue: Open to traffic
- Baldwin Avenue: All necessary property under ACE control; ready to bid construction

- San Gabriel Trench: Complete environmental clearance process and substantially complete preliminary engineering
- IRRIS: Alternative train detection in testing

Funding/Financial/Administration

- Approve \$5M TCSP grant application
- FY '08 Appropriation earmark approved project funding allocation from CTC
Obtain earmark of Prop 1B goods movement funds for Phase II projects
- Support passage of SB 974
- Seek dedicated freight trust fund in SAFE-TEA reauthorization
- Obtain clean financial audit and management letter
- Create self-audit program
- Maintain at least 95% of note proceeds invested.

Outreach

- Conduct ribbon-cutting ceremonies for Ramona Boulevard and East End Avenue projects
- Continue business support, school safety outreach programs
- Continue to implement DBE goals for contract letting during FY'08
- Conduct at least one environmental outreach meeting for San Gabriel Trench project.

The above goals do not address implementing Phase II projects other than initial design of the San Gabriel Trench due to lack of committed funding at this point.

FY 2008 ACE Construction Authority Budget

ACE has developed and implemented budgeting, accounting and project control systems that meet generally accepted accounting standards with the goal of delivering a project that accomplishes its intended purposes as expeditiously as possible and within budget.

Budget Development

The budget for FY 2008 (July 1, 2007 through June 30, 2008) was developed in two parts: project direct expense and indirect expense.

The project direct expense was developed using an estimate-at-complete model that time-phases ACE's best estimate of how much each task (i.e., design, right-of-way acquisition, construction) of a project will cost over the life of the project and its rate of progress over the upcoming fiscal year. Management reviews the forecast for each project for reasonableness and adjustments are made as necessary. The forecasts are summarized for all projects, adjustments to the overall level of spending are made as needed and the resulting forecast for FY 2008 becomes the basis for the approved budget.

The indirect budget is developed by line item, based on past experience and changed levels of effort in FY 2008. The ratio of indirect costs to direct costs is used to calculate

the Indirect Rate Plan that is submitted to Caltrans for approval and becomes the basis for billing indirect costs in FY 2008.

The FY 2008 budget does not request Board approval for new contracts nor amendments to existing contracts. Each contract authorization will be brought to the Board for any necessary action.

The FY 2008 budget provides only for activity for which the Authority has committed funding. Therefore, there is no proposed budget for Phase II projects other than the design of the San Gabriel Trench. In the event additional funding becomes available we will amend the FY 2008 budget as necessary.

FY 2008 Budget

The FY 2008 Budget is presented in Exhibit II. Exhibit II A includes estimate revenues and income from our grant anticipation note program. Exhibit III compares the estimated actuals for FY 2007 to the budget for FY 2008.

The following addresses significant line item increases (\$10,000 or more and more than a 10% increase) proposed for FY 2008 compared to the FY 2007 estimated actuals for all "indirect" expenses. Any basis for changes in the construction related line items are a result of our most current projection of construction progress, as described above.

- Staff Salaries and Benefits – The FY 2008 budget is based on existing staffing levels plus one additional project manager (previously authorized), and provides for a 6% merit salary adjustment pool to be administered per our adopted salary guidelines.
- Insurance – The primary cost is excess construction liability coverage. It is now acquired on an annual basis in September of each year. The budgeted amount represents, in conjunction with our insurance broker, our best estimate on advice of our insurance consultant, of the cost of the upcoming policy plus the other required policies.
- Program Management – FY 2008 Budget includes one-half person year each for procurement support and project scheduling.
- Equipment Expense – The increased cost reflects the replacement of existing computers in the agency.

Exhibit II

FY 2008 Proposed Budget with Type of Expenditure

(\$ in Thousands)

Expenditures	FY 2008 Proposed
Indirect	
Personnel	
Salaries and Wages	\$ 1,025
Fringe Benefits	468
Board/Employee Expenses	
Auto/Travel	49
Training/Memberships	6
Board Related Expenses	20
Professional Services	
Auditing/Accounting	40
DBE/Labor Compliance	120
Legal - Agency Support	40
Program Management	1,977
State/Federal Advisory Services	230
Risk Management	60
UPRR Invoice Review	72
Insurance	407
Equipment Expense	77
Office Expense	210
Office Operations	27
Other	5
Total Indirect	<u>4,833</u>
Direct	
Salaries and Wages	485
Program Management	4,111
Legal	955
Labor Compliance	174
Design	2,764
ROW Acquisition	14,574
Utility Relocation	1,616
Construction Mgt	4,773
Railroad	18,699
Construction	50,874
Advertising	-
Total Direct	<u>99,025</u>
Total ACE	<u>\$ 103,858</u>

Exhibit II A

FY 2008 Proposed Budget with Type of Expenditure

(\$ in Thousands)

	FY 2008 Proposed
Revenues	
Federal	\$ 32,517
State	57,691
Local	14,685
Other	8,265
Total Revenues	<u>113,158</u>
Operating Expenditures	
Direct	
Design	3,009
ROW Acquisition	22,856
Construction	67,903
Construction Management	6,291
Betterment	5,966
Total Direct	<u>106,025</u>
Indirect	
Personnel	1,493
Board/Employee Expenses	75
Professional Services	2,539
Insurance	407
Equipment Expense	77
Office Expense	210
Office Operations	27
Other	5
Total Indirect	<u>4,833</u>
Total Operating Expenditures	<u>110,858</u>
Excess of Revenue over	
Expenditures before Financing	2,300
Financing Income	
Investment Revenue	4,888
Interest and Related Expenses	4,138
Net Financing Income/Expense	<u>750</u>
Excess of Revenues over Expenditures	<u>3,050</u>
Fund Balance Beginning of Period	\$ 11,905
Fund Balance End of Period	<u>\$ 14,955</u>

Exhibit III

Comparison - FY 2007 Estimated Actuals vs. FY 2008 Proposed

(\$ in Thousands)

Expenditures	FY 2007 Estimate	FY 2008 Proposed	Incr/ Decr	(Decr)	%
Indirect					
Personnel					
Salaries and Wages	\$ 904	\$ 1,025	\$ 121		13%
Fringe Benefits	411	468	57		14%
Board/Employee Expenses					
Auto/Travel	42	49	7		17%
Training/Memberships	5	6	1		20%
Board Related Expenses	17	20	3		18%
Professional Services					
Auditing/Accounting	37	40	3		8%
DBE/Labor Compliance	114	120	6		5%
Legal - Agency Support	39	40	1		3%
Program Management	1,737	1,977	240		14%
State/Federal Advisory Services	222	230	8		4%
Risk Management	55	60	5		9%
UPRR Invoice Review	72	72	-		0%
Insurance	370	407	37		10%
Equipment Expense	45	77	32		71%
Office Expense	201	210	9		4%
Office Operations	24	27	3		13%
Other	3	5	2		67%
Total Indirect	<u>4,298</u>	<u>4,833</u>	<u>535</u>		<u>12%</u>
Direct					
Salaries and Wages	405	485	80		20%
Program Management	2,526	4,111	1,585		63%
Legal	1,056	955	(101)		-10%
Labor Compliance	185	174	(11)		-6%
Design	1,243	2,764	1,521		122%
ROW Acquisition	5,950	14,574	8,624		145%
Utility Relocation	244	1,616	1,372		563%
Construction Mgt	3,939	4,773	834		21%
Railroad	4,699	18,699	14,000		298%
Construction	57,384	50,874	(6,510)		-11%
Advertising	23	-	(23)		-100%
Total Direct	<u>77,654</u>	<u>99,025</u>	<u>21,371</u>		<u>28%</u>
Total ACE	<u>\$ 81,952</u>	<u>\$ 103,858</u>	<u>\$ 21,906</u>		<u>27%</u>

Project Financing

The San Gabriel Valley Council of Governments (SGVCOG) is the "parent" of the ACE Construction Authority and has authorized the issuance of up to \$100 million in tax-exempt Grant Anticipated Notes (GANs) backed by a bank guarantee. There is currently \$100 million outstanding. This program has been in place since 2001. The bank guaranteeing our notes committed in 2005 to a ten-year program.

Proceeds from the program are invested in the State of California's Local Agency Investment Fund (LAIF) and local banks. The net interest income (interest revenue less interest and fee expense) of the program has been over \$1.5 million over the life of the program. We believe that the cost of the notes will continue to be self-funding over the life of the project.

Because the ACE Construction Authority continues to have no other sources of revenue other than grants and contributions from funding agencies, ACE staff will make every effort to ensure that all expenditures are reimbursable by federal, state or local grants.

Staff is making every effort it can to operate in this stringent financial environment, but the Board needs to be aware of the practical difficulties of recovering every expense. We use this Budget submittal to annually advise the Board of the cumulative exposure for unreimbursed costs the Authority is incurring. As of this date, we have incurred the following unreimbursed or unreimbursable expenses, dating back to the beginning of the ACE Construction Authority:

FY 1998:	\$71,185	Expenses incurred by SGVCOG prior to 6/30/98 not reimbursed by MTA
FY 2000:	11,298	Net interest cost of loan from City of Industry
FY 2001:	2,738	Net interest cost of loan from City of Industry
FY 2006:	<u>105,529</u>	Payment to SGVCOG for claimed un-reimbursed expenses
	\$190,750	Estimated total – project-life-to-date

Based on experience to date, we expect the net income of our cash flow financing to be sufficient to pay for our cumulative unreimbursed expense.

Budget Amendments And Revisions

Staff will continue to provide the Board with project status and budget updates on a quarterly basis. A mid-year review of the upcoming fiscal year will be done in January and proposed revisions, if any, will be submitted for Board approval at that time.

Board Review And Approval

The proposed budget is presented to the Board and to the public for consideration at the May Board meeting. Any changes will be incorporated into the approved budget and submitted to the San Gabriel Valley Council of Governments for consideration at their June meeting.

FY 2008 Budget Glossary

Indirect Expenses

Personnel

Salaries and Wages	Salaries for employees and temporary help (charged both as indirect and direct expenses).
Fringe Benefits	Paid benefits such as health insurance, life insurance and pension.

Board/Employee Expenses

Auto/Travel	Employee travel for business purposes. Includes registration fees and local mileage reimbursement or auto allowance.
Training/Memberships	Authority and professional memberships; ongoing professional training.
Board Related Expenses	Per diem and Board travel.

Professional Services

Auditing/Accounting	Financial auditing and accounting services.
DBE/Labor Compliance	Disadvantaged Business Enterprise program administration and monitoring; supervision of labor compliance monitoring
Legal - Agency Support	General counsel, construction legal and any other legal services not directly chargeable to specific construction projects.
Program Management	Contracted project administration support.
State/Federal Advisory Services	State & Federal legislation research, monitoring and funding application services.
Risk Management	Administrative fee for analyzing insurance requirements, reviewing ACE and contractor policies and obtaining insurance.
UPRR Invoice Review	UPRR invoice review services.

Insurance	Annual insurance premiums and out-of-pocket losses
Equipment Expense	Purchase/lease and maintenance of office equipment such as copiers, fax machines and computers.
Office Expense	Rent on ACE office space, including maintenance and miscellaneous expense
Office Operations	Office supplies, postage, printing/copying and telephones
Other	General advertising, subscriptions, payroll service fees, etc.
Direct Expenses	
Program Management	The portion of overall program management expenses which can be directly charged to projects; consists primarily of design and utility relocation support, land acquisition related services and office support.
Legal	Legal expenses which can be directly charged to specific projects for land acquisition activities.
Labor Compliance	Field monitoring and reporting of contractor compliance with State and Federal labor laws
Design	Preparation of project plans, specifications and estimates and support during construction
Right of Way Acquisition	Property acquisition costs, closing costs, appraisals, surveys, miscellaneous acquisition support costs
Utility Relocation	Costs of relocating utilities, including design
Construction Management	Field oversight of construction
Railroad	Railroad (UPRR and Metrolink) charges to projects for project support, design, procurement and

	construction
Construction	Payment to construction contractors
Advertising	Cost of advertising construction contracts



Alameda Corridor-East Construction Authority

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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond
Chief Executive Officer

SUBJECT: Approval of Position on State Legislation

DATE: May 21, 2007

RECOMMENDATION

Approve the attached recommendations concerning ACE positions on pending state transportation legislation.

BACKGROUND

The attached matrix summarizes key pending transportation bills updated through May 3rd. Subsequent legislative committee actions will be provided at the meeting.

The matrix lists bills on which ACE has previously taken a position or is monitoring, and includes new entries. Since the last review, there have been numerous amendments. Both the Assembly and the Senate have extended their deadlines (Attachment 2). May 25th is the deadline in both houses for passing non-fiscal bills from committee. June 1st is the deadline for fiscal bills to be passed by Appropriations Committee of both houses.

Staff is recommending the following new or changed positions on pending bills for the reasons cited in the attached matrix:

Bill	Recommended Position
SB 9	Support with language clarifying 50% non state bond match definition
SB 19	Support with language clarifying eligible projects
AB 660	Oppose unless amended to retain 10% railroad participation and provide for funding cap increase above \$5m but not eliminate cap altogether
AB 1351	Support, work with author to accelerate allocation schedule consistent w/ voter approval

We have discussed previously that this is a voluminous legislative year. There are over 20 bills related to implementation of the different programs included in the Prop 1B \$19.7 billion transportation bond. In the Senate, a hearing is scheduled for Appropriations Committee on May 21st to determine which Prop 1B bills should be consolidated and which bill will be the vehicle sent to Assembly. The Assembly is discussing a similar action but not yet set a date. It should be noted that the amended

AB 995 (Nava-Chair of Assembly Transportation) precludes the budget act from appropriating revenue for specific bond projects or from enacting legislation that earmarks projects. As mentioned previously, there has been discussion of the legislature earmarking bond funds for projects in the budget sub-committee process. Another likely option is that leadership will meet and resolve the differences in the bond legislation and appropriation level in the FY 2008 budget approval due by June 15th.

The SGVCOG, Foothill, ACE and the San Gabriel Valley Economic Partnership are co-hosting a legislative dinner on May 16th. A May 16 San Gabriel Valley legislative caucus meeting is also being planned. Staff will provide any updated information at your May 21 Board meeting.

Attachments

2007 STATE LEGISLATIVE SUMMARY - Effective May 2, 2007

BILL NO.	AUTHOR	SUMMARY	COMMENTS	STATUS	AGENCY POSITIONS	RECOMMENDED POSITION
SENATE BILLS						
SB 9	Lowenthal	Provides amendments to \$2b Trade Corridors Improvement Fund included in Prop 1B. Project criteria were specified in Prop 1B. Further clarified that projects must be in Regional Transportation Plan. CTC shall give priority to projects that have regional support and reduce emissions with a plan for periodic emission reduction monitoring for 20 years. Funds can be used only for ready to go construction costs. Deletes flexible language for CTC to determine match and requires 50% match. Adds provision allocating \$50m of \$2b for zero emission projects that move freight such as magnetic levitation, and rail electrification.	Majority vote required. Bill impacts potential for ACE Project to be eligible for funding (recommended in State Goods Movement Plan for \$311m). 50% local match language changes would mean ACE would have difficult time meeting requirement unless SB 974 container fee bill passed.	Amended 4/10. 4/17 passed out of Trans. Com. 7 ayes-3 noes. Approp's hearing 5/21.	ACE & SGVCOG previously supported monitoring when spot bill.	Support, work with author to clarify language on 50% local match requirements.
SB 19	Lowenthal	Provides amendments to project criteria for project selection that reduce emissions when allocating \$1b of Prop 1B. No match requirement specified.	Majority vote required. Amended project criteria for eligible funding appear to be concentrated on equipment retrofit related costs for port emission reduction. Analysis underway of whether ACE eligibility limited by amendment.	Amended 4/10. 4/17 passed out of Trans. Com 6 ayes-4 noes. Approp's hearing 5/21.	ACE & SGVCOG supported monitoring when spot bill.	Support, work with author to clarify eligible project language.
SB 47 (spot)	Perata	Legislature will establish provisions for project eligibility, match requirements and application process for \$1b state-local partnership program.	Majority vote required.	In Rules Com. for assignment.	ACE & SGVCOG supported monitoring.	Monitor
SB 56	Runner	Authorizes design-build as a construction method for an unspecified number of state and local transportation entities through 2016. Requires reporting to CTC and report to Legislature.	Majority vote required.	Bill gutted to 10 demo's. 4/30 Trans. Com. Re-referred to Rules by 8-2 vote.	ACE & SGVCOG previously supported. Caltrans is sponsor. Supporters: Assoc. Gen. Contractors, AAA, Cal. Chamber of C., RCTC, Ca. State Auto Assn. <u>Oppose</u> : Public employee assoc's, Assoc. Builders & Contractors, PEGG	Support, work with Author

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SB 61	Runner	Deletes 4 project limit and requirement of legislature to approve project. And allows Caltrans and regional transportation agencies to approve projects using private-public partnerships (tolls, leases and fees) for goods movement projects.	Majority vote required	Trans. Com passed 7-3 vote with significant amendments. Approp's Com. Hearing 5/14.	Support: City of Moreno Valley Oppose: PEGC	Monitor
SB 204	Dutton	Retains revenues from rentals, sale of excess property, and investment funds in the State Highway Account.	Majority vote required.	3/27 Trans. hearing cancelled by author	Oppose- CTA, Foothill Transit	Monitor
SB 262 (spot)	Runner	When allocating \$2b trade corridor bond funds of Prop 1B, a new project criterion will be added for the California Transportation Commission to consider-- the potential of a project to benefit the inland port concept.	Current criteria approved by the voters. Majority Vote Required	4/24 Trans. Com. hearing postponed by Committee.	ACE & SGVCOG support monitoring.	Monitor
SB 307 (spot)	Dutton	Adds the 'Southern California National Freight Gateway Strategy' into the State Goods Movement Plan that the CTC will consider when allocating the \$2b trade corridor funds of Prop 1B.	Majority Vote Required. Believe that strategy already in plan. Two years of state hearings held on state goods movement action plan submitted to CTC in December. Unclear what author is amending.	In Rules Com. for assignment.	ACE & SGVCOG previously supported working with Author.	Work with Author to clarify
SB 445	Torlakson	Establishes 14 member Road User Task Force to studying transportation funding alternatives to gas tax and reporting recommendations by 1/1/2009. Three public hearings shall be conducted around the state.	Majority vote required. 18-cent gas tax to finance the states transportation program is inadequate. Last gas tax increase was in 1994.	Author amended 4/23 to 14 members. Passed Trans. Com. 4/24. Referred to Approps Com. 4/30. Approp's hearing 5/7.	Supports: CALCOG, League of Cities, CA Assoc. of Cities. Opposed: Moller Int.	Monitor
SB 717	Perata	Transfers the sales tax revenue from gas tax to the Transportation Investment Fund beginning FY '09 and continues the distribution of the formula. Allows the TCRF to sunset and allows the allocation of state sales tax from gas to continue permanently--20% to Public Transit Account; 40% to State Transportation Improvement Program (STIP; 20% to cities for road repair; and 20% to counties for road repair).	Majority vote required.	4/11 Trans. Com. Passed 10 ayes-0 noes. Passed Revenue and Taxation Com. Hearing on 4/25 by 8-0 vote. Approp's hearing 5/7.	Support: County Assoc., Ca. Assoc. of Councils, Ca. Public Transit Assoc., Foothill Transit	Monitor

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SB 748	Corbett	Establishes procedures for allocation of \$1b of Prop 1B (\$19.7 b) for state-local partnership. Would appropriate \$200 m per year for five consecutive years beginning FY '08 and ending FY 2012. Cap of \$25 m per funding cycle for approved projects. Applicants must be in a self-help county and must be a local or regional transportation agency responsible for funding, procuring or constructing projects. 50% match required. Defines local match to include local sales tax, bridge tolls, property tax or voter-approved fees dedicated to transportation improvements. CTC shall adopt a program of projects each year and shall allocate funds by February of each year. CTC shall give priority to project readiness and maximum public benefit; leveraging of other funding sources; and demonstrated air quality improvements.	Majority vote required. Similar to SB 872 (Ackerman) but implements funds two years earlier. SB 872 project list made by Caltrans and forwards list to CTC for approval. This bill would have projects be submitted to CTC. This bill expands definition of local match to include bridge tolls and property tax revenues dedicated to transportation. Also see AB 1371 related bill which is preferred for reasons noted.	Amended 4/10. 4/18 Passed Trans. Com. on north-south vote by 6-4 vote on 4/17. Approp's Com. hearing 5/21.	MTA opposes (MTA sponsored AB 1351--does not include bridge tolls or property tax in local match)	Monitor
SB 872	Ackerman	Establishes procedures for allocation of \$1b of Prop 1b (\$19.7b) for state-local partnership. Allocates \$200m per year beginning 2011 for five years. Project cost is minimum of \$25m. Projects must be capable of completing all project development work so contract can be awarded by June 30 of the fiscal year funds awarded. 50% local match defined as locally imposed sales tax. Projects submitted to Caltrans by 9/30/2009. Caltrans to determine project list by 1/31/2020 and CTC to approve list by 4/1/2010.	Majority vote required. Similar to SB 748 and AB 1351 with differences noted above. AB 1351 is preferred for reasons noted.	4/17 Passed Trans. Com. 6 ayes -- 4 noes. Re-referred to Approp's Com. Hearing 5/21.	Support: OC Board of Supervisors. Oppose: MTA (prefers AB 1351 as noted above)	Monitor

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SB 974	Lowenthal	Levies a \$30 per container user fee processed through LA/LB and Oakland ports beginning 9/1/2009. 50% fee goes to CTC for projects that improve goods movement (ACE specifically mentioned as project) and 50% fee to ARB for reducing air pollution. Gives authority to issue bonds for projects to be repaid by the fees (est. \$528m annually). Project list to be finalized by 9/1/08. Amendment specifies hearing to be held for developing project list and that future projects may not receive funds if emission reductions in the Clean Air Action Plan not met (other than projects awarded funding prior to this funding.) Requires construction contractors to use a diesel particulate filter.	Majority vote required. Legislature approved last year and vetoed by Governor. SGVCOG, ACE and SGVEP supported last year. Potential revenue source to fund local match for ACE Project and further leverage state bond funds and federal funds. State legal analysis indicates legislation does not conflict with commerce provision in US Constitution.	Amended 4/30. Passed out of Trans. Com. on 6-4 vote. Passed Env. Com 4/24 on 6-0 vote. Approp's Com. Hearing 5/21.	ACE & SGVCOG previously supported: <u>Support:</u> MTA support & work with author to increase flexibility of funds used for highway projects. Also, the following support: Cities of Long Beach, Lakewood and Burbank, Coalition for Clean Air, Environmental Defense, Parents for a Safer Environment, Friends of the Earth, Planning & Conservation League, Natural Resources Defense Council. <u>Opponents-California</u> Chamber and retailers who export goods through the ports because they believe bill violates commerce clause of US Constitution and will cause shippers to divert	Support. (work with Author on 4/9 amendment to clarify that projects which are reducing emissions would not have funds held if emission reductions in Clean Air Action Plan not met).
AB 412 (spot)	Smyth	Requires CTC to specify project delivery deadlines for commencement of construction for each program category of Prop 1 B (\$19.7b).	Majority vote required	Amended 3/26. Hearing postponed in Asm. Trans.	ACE & SGVCOG supports monitoring.	Monitor
AB 620	Portantino	Requires CTC to adopt guidelines when allocating Prop 1B funds that construction begin no later than 12/31/2012 for all programs (existing voter approved language applies only to highway projects in CMAA program already allocated).	Majority vote required. Does not impact SGV projects. Related legislation: AB 784, AB 901, AB 995, AB 1350, AB 1351, AB 1672	Amended 3/26. Referred to Trans. Com. on 4/9 by 10-0 vote.		Monitor

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AB 633	Galgiani	Amended to require PUC/Caltrans to submit a report by 9/1/2008 to CTC an evaluation in carrying out implementation of Section 190 (\$15m/year statewide grade separation program). Report shall also include identifying local match issues, project-cost management, and recommendations for establishing an application process for adjusting/deferral of local match.	Majority vote required. Could effect SGV projects currently on PUC priority list by adding other projects elsewhere in state that cannot satisfy current local match requirement.	Amended 4/25. Passed Trans Com. 4/24 by 12-0 vote (consent). No Amend's. Referred to Approp's Com.	Monitor
AB 660	Galgiani	Revises the existing PUC grade separation funding program (\$15m annually) to delete funding eligibility for a grade separation at a new grade crossing, deletes a 10% railroad contribution and deletes maximum total allocation per crossing (\$5m)	Majority vote required. Deleting 10% railroad contribution contradicts funding principles of State Goods Movement Action Plan to increase private sector participation.	Amended 4/10. 4/23 hearing cancelled at author's request.	Oppose unless amended to: 1) retain current law requiring 10% railroad participation; and, 2) provide for cap increase but not eliminate cap altogether.
AB 945	Carler	Requires CTC to develop every 5-years an assessment of unfunded cost of programmed state projects and federally earmarked projects in the state as well as unmet transportation state needs. First report due 7/1/08.	Majority vote required.	Amended 4/26 in Trans. Com., passed on 10-3 vote and referred to Approp's Com.	Monitor
AB 995	Nava	Amended bill clarifies projects that have highest benefits compared to cost and that reduce pollution to be given priority for funding. Requires CTC to report to Legislature on activities related to funds. Amended to preclude the Budget Act for appropriating specific projects and Legislature from enacting specific project funding from bonds.	Majority vote required.	Amended 4/24. Trans. Com. passed by 13-0 vote. Re-referred to Approp's Com.	Monitor
AB 1351	Levine	Implements \$1b state-local partnership program of Prop 1B (\$19.7 b). Requires 50% local match using locally imposed sales tax. Appropriates \$200m per year beginning 2010-2011. Eligible projects defined as projects of more than \$25m cost for construction of a local road, state highway, public transit facility, or railcar acquisition. Legislation provides for list of projects to be adopted by CTC by unspecified date.	Majority vote required. Deferring allocation of Prop 1B for critically needed transportation projects to 2010 and allocating over five years to 2016 is not consistent with voter's intent to implement current unmet projects ready to go. Related Legislation SB 47, SB 748, SB 872	Amended. 4/10. Trans. Com. passed 4/23 by 11-3 vote. Referred to Approp's Com.	Support, work with author to accelerate allocation schedule consistent with voter approval.

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AB 1499 (spo)	Garrick	Provides Caltrans design-build authority.	Majority vote required.	In Trans. Com. Hearing cancelled at request of Author.	Monitor
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Revised 3-May-07

Sacramento Legislative Schedule

Assembly & Senate

<u>Date</u>	<u>Activity</u>
4/27	Senate policy bill committee deadline to report fiscal bills to Approp.'s Committee
5/11	Senate policy bill committee deadline for non-fiscal bills to floor
5/25	Policy bill must pass policy committee from house of origin
6/1	Fiscal bill must pass fiscal committee from house of origin
6/4-6/8	Floor votes for bills in house of origin
6/8	Floor deadline from house of origin
6/15	Budget Bill must be passed by midnight
7/13	Last day for Policy committee to hear and report bills
7/22-8/20	Recess
8/31	Fiscal committee deadline
9/3-9/14	Floor vote on bills from other house
9/7	Deadline for floor amendments
9/14	Bill deadline
10/14	Governor deadline to veto bills